

NEWS RELEASE

Defense Finance and Accounting Service 1931 Jefferson Davis Arlington VA 22240

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DFAS' Marine Corps Accounting A-76 on hold

ARLINGTON, Va. (Dec. 11) -- The Defense Finance and Accounting Service announced recently that its Marine Corps Accounting A-76 competition will not begin until at least 45-days after the Department of Defense issues a report on the impacts of recent changes in the Office of Management and Budget A-76 rules.

The hold is called for by the National Defense Authorization Act for Fiscal Year 2004 which states:

"No studies or competitions may be conducted under the policies and procedures contained in the revised Office of Management and Budget Circular A-76 dated May 29, 2003 (68 Fed. Reg. 32134), relating to the possible contracting out of commercial activities being performed, as of such date, by employees of the Department of Defense, until the end of the 45-day period beginning on the date on which the Secretary of Defense submits to Congress a report on the effects of the revisions" (Sec. 335).

The report will address the following:

- (1) The extent to which the revised circular will ensure employees of the Department of Defense have the opportunity to compete to retain their jobs.
- (2) The extent to which the revised circular will provide appeal and protest rights to employees of the Department of Defense.
- (3) Identify safeguards in the revised circular to ensure that all public-private competitions are fair, appropriate, and comply with requirements of full and open competition.
- (4) The plans of the Department to ensure an appropriate phase-in period for the revised circular, as recommended by the Commercial Activities Panel of the Government Accounting Office in its April 2002 report to Congress, including recommendations for any legislative changes that may be required to ensure a smooth and efficient phase-in period.
- (5) The plans of the Department to provide training to employees of the Department of Defense regarding the revised circular, including how the training will be funded, how employees will be selected to receive the training, and the number of employees likely to receive the training.

(6) The plans of the Department to collect and analyze data on the costs and quality of work contracted out or retained in-house as a result of a sourcing process conducted under the revised circular.

No dates have been set for when the report will be produced and submitted to Congress.

About DFAS

The Defense Finance and Accounting Service is the world's largest finance and accounting operation. It provides responsive, professional finance and accounting services to the men and women who defend America. In Fiscal Year 2003, DFAS paid about 5.9 million people, processed more than 12.3 million invoices from defense contractors, disbursed more than \$416 billion and managed more than \$194 billion in military trust funds. For more about DFAS visit http://www.dfas.mil.

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